



House of Representatives

General Assembly

File No. 111

January Session, 2015

House Bill No. 6394

House of Representatives, March 19, 2015

The Committee on Aging reported through REP. SERRA of the 33rd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT INCREASING FUNDING FOR ELDERLY NUTRITION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 17b-242 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (a) The Department of Social Services shall determine the rates to be
5 paid to home health care agencies and homemaker-home health aide
6 agencies by the state or any town in the state for persons aided or
7 cared for by the state or any such town. [For the period from February
8 1, 1991, to January 31, 1992, inclusive, payment for each service to the
9 state shall be based upon the rate for such service as determined by the
10 Office of Health Care Access, except that for those providers whose
11 Medicaid rates for the year ending January 31, 1991, exceed the median
12 rate, no increase shall be allowed. For those providers whose rates for
13 the year ending January 31, 1991, are below the median rate, increases
14 shall not exceed the lower of the prior rate increased by the most
15 recent annual increase in the consumer price index for urban

16 consumers or the median rate. In no case shall any such rate exceed the
17 eightieth percentile of rates in effect January 31, 1991, nor shall any rate
18 exceed the charge to the general public for similar services. Rates
19 effective February 1, 1992, shall be based upon rates as determined by
20 the Office of Health Care Access, except that increases shall not exceed
21 the prior year's rate increased by the most recent annual increase in the
22 consumer price index for urban consumers and rates effective
23 February 1, 1992, shall remain in effect through June 30, 1993. Rates
24 effective July 1, 1993, shall be based upon rates as determined by the
25 Office of Health Care Access except if the Medicaid rates for any
26 service for the period ending June 30, 1993, exceed the median rate for
27 such service, the increase effective July 1, 1993, shall not exceed one
28 per cent. If the Medicaid rate for any service for the period ending June
29 30, 1993, is below the median rate, the increase effective July 1, 1993,
30 shall not exceed the lower of the prior rate increased by one and one-
31 half times the most recent annual increase in the consumer price index
32 for urban consumers or the median rate plus one per cent.] The
33 Commissioner of Social Services shall establish a fee schedule for home
34 health services to be effective on and after July 1, 1994. The
35 commissioner may annually modify such fee schedule if such
36 modification is needed to ensure that the conversion to an
37 administrative services organization is cost neutral to home health care
38 agencies and homemaker-home health aide agencies in the aggregate
39 and ensures patient access. Utilization may be a factor in determining
40 cost neutrality. The commissioner shall increase the fee schedule for
41 home health services provided under the Connecticut home-care
42 program for the elderly established under section 17b-342, effective
43 July 1, 2000, by two per cent over the fee schedule for home health
44 services for the previous year. On and after July 1, 2015, the
45 commissioner shall increase the fee schedule for meals on wheels
46 provided under the Connecticut home-care program for the elderly to
47 reflect reasonable costs of providers and minimize any copayments
48 incurred by participants in said program. The commissioner may
49 increase any fee payable to a home health care agency or homemaker-
50 home health aide agency upon the application of such an agency

51 evidencing extraordinary costs related to (1) serving persons with
52 AIDS; (2) high-risk maternal and child health care; (3) escort services;
53 or (4) extended hour services. In no case shall any rate or fee exceed
54 the charge to the general public for similar services. A home health
55 care agency or homemaker-home health aide agency which, due to any
56 material change in circumstances, is aggrieved by a rate determined
57 pursuant to this subsection may, within ten days of receipt of written
58 notice of such rate from the Commissioner of Social Services, request
59 in writing a hearing on all items of aggrievement. The commissioner
60 shall, upon the receipt of all documentation necessary to evaluate the
61 request, determine whether there has been such a change in
62 circumstances and shall conduct a hearing if appropriate. The
63 Commissioner of Social Services shall adopt regulations, in accordance
64 with chapter 54, to implement the provisions of this subsection. The
65 commissioner may implement policies and procedures to carry out the
66 provisions of this subsection while in the process of adopting
67 regulations, provided notice of intent to adopt the regulations is
68 published [in the Connecticut Law Journal] on the Internet web site of
69 the Department of Social Services and the eRegulations System not
70 later than twenty days after the date of implementing the policies and
71 procedures. Such policies and procedures shall be valid for not longer
72 than nine months.

73 Sec. 2. Section 17b-343 of the general statutes is repealed and the
74 following is substituted in lieu thereof (*Effective from passage*):

75 The Commissioner of Social Services shall establish annually the
76 maximum allowable rate to be paid by agencies for homemaker
77 services, chore person services, companion services, respite care, meals
78 on wheels, adult day care services, case management and assessment
79 services, transportation, mental health counseling and elderly foster
80 care. [, except that the maximum allowable rates in effect July 1, 1990,
81 shall remain in effect during the fiscal years ending June 30, 1992, and
82 June 30, 1993.] The Commissioner of Social Services shall prescribe
83 uniform forms on which agencies providing such services shall report
84 their costs for such services. Such rates shall be determined on the

85 basis of a reasonable payment for necessary services rendered. The
 86 maximum allowable rates established by the Commissioner of Social
 87 Services for the Connecticut home-care program for the elderly
 88 established under section 17b-342 shall constitute the rates required
 89 under this section until revised in accordance with this section. The
 90 Commissioner of Social Services shall establish a fee schedule, to be
 91 effective on and after July 1, 1994, for homemaker services, chore
 92 person services, companion services, respite care, meals on wheels,
 93 adult day care services, case management and assessment services,
 94 transportation, mental health counseling and elderly foster care. The
 95 commissioner [may] shall annually increase [any fee in] the fee
 96 schedule based on an increase in the cost of services. The
 97 commissioner shall increase the fee schedule effective July 1, 2000, by
 98 not less than five per cent, for adult day care services. The
 99 commissioner shall increase the fee schedule effective July 1, 2011, by
 100 four dollars per person, per day for adult day care services. On and
 101 after July 1, 2015, the commissioner shall increase the fee schedule for
 102 meals on wheels under the Connecticut home-care program for the
 103 elderly to reflect reasonable costs of providers and minimize any
 104 copayments incurred by participants in the program. Nothing
 105 contained in this section shall authorize a payment by the state to any
 106 agency for such services in excess of the amount charged by such
 107 agency for such services to the general public.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	17b-242(a)
Sec. 2	<i>from passage</i>	17b-343

AGE *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 16 \$	FY 17 \$
Social Services, Dept.	GF - Cost	Indeterminate	Indeterminate

Municipal Impact: None

Explanation

The bill will result in an indeterminate cost to the Department of Social Services (DSS) as the bill does not specify the value of the fee increase for services provided by the Connecticut Home Care Program for Elders (CHCPE), or define "reasonable cost" for delivered meals. The bill requires the Commissioner of the DSS to annually increase rates for home-delivered meals for clients of the CHCPE and Medicaid clients who receive home health services. In addition, the bill requires the Commissioner to annually increase fees for services, for clients of the CHCPE. There is an average of 15,519 clients per month served by these programs.

The current Medicaid daily rate for a single meal is \$4.79 and \$8.76 for two meals. Not all clients served by these programs receive meals.

Lastly, the bill requires the fee paid for various services provided under the CHCPE to be increased based on the "increase in service costs". For reference, a 1% increase in the total annual net CHCPE expenditures is approximately \$2.2 million annually.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to increase in "reasonable cost" and the

cost of services.

OLR Bill Analysis**HB 6394*****AN ACT INCREASING FUNDING FOR ELDERLY NUTRITION.*****SUMMARY:**

This bill requires, rather than allows, the social services commissioner to annually increase the fees for the following services based on cost: homemaking, chore service, companionship, respite care, meals on wheels, adult day care, case management and assessment, transportation, mental health counseling, and elderly foster care.

It also requires the commissioner, on and after July 1, 2015, to increase the fees for meals on wheels provided through the Connecticut Home Care Program for Elders (CHCPE) to reflect reasonable provider costs and minimize participant copayments.

By law, the commissioner may implement policies and procedures while in the process of adopting regulations about payments to home health care and homemaker-health aide agencies, provided he provides a notice of intent to adopt regulations within 20 days after the date of policy implementation. The bill requires the commissioner to publish the notice on the department's website and the Secretary of State's online eRegulations system, instead of the *Connecticut Law Journal*. By law, such policies and procedures are valid for a maximum of nine months.

The bill also removes obsolete language regarding the payment rate for home-based services in the early 1990s.

EFFECTIVE DATE: From passage

BACKGROUND

Program Description

CHCPE is a Medicaid waiver and state-funded program that provides home- and community-based services for eligible individuals age 65 and older who are at risk for institutionalization.

Related Bill

HB 6685, reported favorably by the Aging Committee, requires the social services commissioner to increase the CHCPE fee schedule. It also (1) eliminates identical obsolete language about outdated payment rates and (2) includes the same provision requiring publication of regulation notices on the department website and the eRegulations system, rather than the *Connecticut Law Journal*.

COMMITTEE ACTION

Aging Committee

Joint Favorable

Yea 13 Nay 0 (03/05/2015)